

App F IX-4
Previous References

(1955 5)
Cm

File No 125 55
Serial Nos 1, 2

Later References

MYSORE GOVERNMENT SECRETARIAT

Serial Nos 2

p 15(E)

Part B for

Nov 1955

SUBJECT

Developmental Needs of the cities of
Ahmedabad, Bangalore, Bombay,
Calcutta, Madras, and Poona under
the Second Five year Plan

WD 0249-GPB-25 000-16 9 55

L 9966 12 11 55

The Commissioner C C B

Serial
No

From

The Mayor of Bombay,
Chairman of the Mayors' Conference
Bombay

Letter no 8363 dated 16 9 55
regarding the developmental needs
of the cities of Ahmedabad, Bangalore
Bombay, Calcutta, Madras and Poona
under the 'Second Five Year Plan'

1) The letter is for kind perusal
the letter is about the deputiation of
Mayors of the cities of Ahmedabad,
Bangalore Bombay, Calcutta Madras
and Poona regarding the developmental
needs of their respective areas under
the Second Five year plan whether this
may be forwarded to the Commissioner
Corporation of the city of Bangalore for
necessary action, is for orders

Subd
no
24/10

2) This may be sent to the
Commr, C C B through the Mayor
for information

Ms 24/10

3) yes
27/10

4) A draft letter is put up for
approval

Subd
no

28/10 Ms 28/10

Done
11

The Commissioner
C C B (Chgo to Prov)
2966/ Chgs SS 2
12 11-55

B
28/11/55
N 10-10111-55

of 195

Serial
No

JARVINGRAO C PUPALA
CHOWPATTY CHAMBERS
CHOWPATTY
BOMBAY No 7



4688
30947-MWY ROO
41875-RES EN
No 8363
MAYOR OF BOMBAY
CORPORATION HALL

BOMBAY 16th September 1955

TO GOVERNMENT OF MYSORE

The Minister for Local Self Government,
Government of Mysore,
MYSORE.

No. 1688

Sir,

CM 125-55-1

Lsg Secy

24/9
1/10
2/10

The Mayors of Ahmedabad, Bangalore, Bombay, Calcutta, Madras and Poona met in a conference at Bombay on the 19th, 20th and 21st July 1955, to discuss the developmental needs of their respective cities under the Second Five Year Plan and a joint memorandum was drafted at this Conference for submission to the Planning Commission. The Conference also requested me to forward a copy of the memorandum to the State Governments of the Cities participating in the Conference for information. Accordingly, I forward herewith for the information of Government a copy of my letter to the Chairman, Planning Commission, New Delhi, - No.7976, dated the 9th September 1955, together with a copy of the Memorandum which has been submitted to the Planning Commission.

Yours faithfully,

M. Pupala

Mayor of Bombay,
Chairman of the Mayors' Conference.

2/10

No. 7976.

Municipal Corporation Office,
Bombay, 9th September 1955.

From

Shri Marsingrao C. Pupala,
Mayor, Municipal Corporation
of Greater Bombay,
Bombay.

To

The Chairman,
Planning Commission,
New Delhi.

Sub:- Second Five Year Plan.

Sir,

The Mayors of Ahmedabad, Bangalore, Bombay, Calcutta, Madras and Poona met in a conference at Bombay on the 19th 20th and 21st July, 1955 to discuss the developmental need of their respective cities to be satisfied, as far as possible, under the Second Five Year Plan. The various Corporations had formulated detailed proposals for consideration by the Planning Commission and forwarded them through the State Governments concerned. The conference was convened so as to devise measures for an effective presentation of the case for developmental aid to cities. A joint memorandum was drafted at this conference explaining the situation in the larger cities today and emphasising the imperative need for enabling the local authorities to execute schemes that do not brook delay. It was also resolved at the conference that this memorandum be submitted to the Planning Commission with a request that the Commission will be pleased to give an opportunity to a deputation of the Mayors of the various Corporation to wait upon the Commission to explain the matter in details.

As the Chairman of the conference, I have been authorised to forward the above-mentioned joint memorandum

- 2 -

to the Planning Commission. Accordingly, I forward herewith* 10 copies of the joint memorandum along with the enclosures referred to therein.

*
(Forwarded separately
by Registered Post)

I shall be glad if a date and time suitable to the Commission for meeting the deputation - referred to is intimated to me sufficiently in - advance, so that I can communicate it to the Mayors of the other cities.

Yours faithfully,

Sd/- N C. Pupala.

Layor of Bombay, and
Chairman of the Mayors' Conference.

MEMORANDUM

The Mayors of Ahmedabad, Bangalore, Bombay, Calcutta, Madras and Poona met in a conference at Bombay on the 19th, 20th and 21st July, 1955 to discuss the developmental needs of their respective cities to be met under the Second Five-Year Plan. These various Corporations have already formulated detailed proposals for consideration by the Planning Commission and have forwarded their plans through the State Governments concerned. The Conference was convened so as to devise measures for an effective presentation of the case for developmental aid to the cities. Such a course has become necessary as apprehensions are sometimes felt that the special problems that have arisen in the larger cities may not receive the attention that they undoubtedly deserve. The Conference has, therefore, resolved to submit this memorandum to the Planning Commission explaining the situation in the larger cities today and emphasising the imperative need for enabling the local authorities to execute schemes that do not brook delay. An approach to the Commission on these lines is desired, more particularly because the Corporations have not, at any stage of the consultative procedure envisaged in the framing of the Second Five-Year Plan, had an opportunity personally to explain their needs to the authorities concerned.

2 The six cities comprise today an estimated population of 110 lakhs. The last few years have, in all cases, witnessed a phenomenal increase in population owing to diverse factors. The influx of displaced persons in varying degrees, Calcutta bearing the brunt of this problem, the large increase in industries and the influx from the rural areas occasioned either by the last War or famine and other conditions that arose subsequently, and the enlargement of the jurisdictions of the Corporations have been responsible for an almost hundred per cent increase in the population since 1941. A major portion of this increase, moreover, has taken place :

the post-independence era, and the influx into the cities from outside areas still continues. This large growth in population has created problems of a serious character in relation to the essential services that the Corporations are required to render. All schemes of development had necessarily to be stopped during the War years, but even thereafter, the scarcity of materials, high prices, the restricted resources available to the Corporations and the higher priorities accorded to various projects elsewhere, have made the execution of substantial schemes of development in the cities most difficult. The result today, therefore, is that the cities are afflicted by great deficiencies in basic requirements. Everywhere water supply is far from adequate. The enlargement of the drainage and sewerage systems within the cities and in virgin areas in which the new population could have been absorbed has proved almost impossible. The provision of improved and augmented facilities for education, medical relief, public health, sanitation, roads and bridges has not kept pace with the communities' felt needs. Above all, various factors have contributed not only to a virtual cessation of new building activity but also to a substantial neglect of existing properties. A great proportion of the residential accommodation in most cities has long out-lived the period of useful existence and, by minimum modern standards, must be regarded as unfit for human habitation. Age and neglect are rapidly leading to the decay and collapse of such structures. The result, on the housing front, has, therefore, been one of great distress. Inevitably, therefore, and despite the best efforts put forward, large insanitary settlements, without even the rudimentary requirements of water and sanitation, have sprung up in the cities. Indeed, it can be said that unless prompt remedial measures are taken in a bold manner, the cities are likely to be transformed into slums over large part.

parts This overall situation has given cause for utmost anxiety all round and the need for retrieving lost ground has been the subject of careful and detailed study by the various Corporations The developmental requirements of the Corporation did not receive any significant consideration in the First Five-Year Plan, but it is expected that the Second Five-Year Plan now under drafting will take due note of city needs Accordingly, the Corporations that have taken part in the conference have formulated and submitted programmes for incorporation in the Second Five-Year Plan These programmes represent the minimum requirements of the cities concerned, if a significant amelioration of the prevailing conditions is to be secured within a measurable distance of time

The plans prepared by the six cities form an annex to this Memorandum The overall size of the various plans is as follows -

Ahmedabad	R	19 67	crores
Bangalore	"	4 25	"
Bombay	"	48 32	"
Calcutta	"	46 00	"
Madras	"	2 29	"
Poona	"	2 35	"

	Rs	134 88	"

Say Rs 135 00 crores

In relation to the publicised size of the National Plan and the respective populations involved, this figure of Rs 135 crores cannot be said to be large But it is not merely in terms of percentage that the needs of the larger cities must be looked at The concentration of population creates specially acute problems in cities as regards both basic services and welfare measures There is a large floating population which makes virtually no contribution to local resources, but on the contrary acts as a considerable drain There could, therefore, be

be an arguable case for undertaking in the cities developmental schemes which would give some weightage to the population involved. But the requirements of the six cities, it may be pointed out, are somewhat less than could be justified solely on the basis of population. No attempt is here made to minimise in any sense the importance of rural development in the country. It is, however, desired to highlight the special social, economic and political aspects of keeping the concentrated populations in the cities reasonably satisfied as regards their basic want. It is this particular aspect of the problem of planning that the conference would like to emphasise for the consideration of the Planning Commission.

4. An examination of the detail of the plans formulated by the six cities will show that no more than certain essential inescapable requirements of large urban communities are sought to be satisfied. The developmental needs fall broadly into the following categories:

- (1) Water Supply
- (2) Drainage & Sewerage
- (3) Slum Clearance and Housing for Low Income Groups
- (4) Public Health & Medical Relief
- (5) Education
- (6) Town Planning & Improvement
- (7) Roads & Communications
- (8) Markets & Slaughter Houses
- (9) Parks, Gardens and Recreational Facilities
- (10) Public Utilities
- (11) Miscellaneous

It should be pointed out that the plans formulated relate wholly to schemes of capital development in relation to the foregoing categories.

The subjoined statement gives a breakdown of the plans of the six cities under the 11 heads mentioned above

(Figures in lakhs)

	<u>Ahmedabad</u>	<u>Bangalore</u>	<u>Bombay</u>	<u>Calcutta</u>	<u>Madras</u>	<u>Pooné</u>
I Water Supply		79 12	785 00	1257 00	440	104 50
II Drainage & Sewerage	42 00	174 40	582 67	293 00	219	43 00
III Slum Clearance & Housing for low income groups	1175 00	112 00	1192 82	1270 00	325	30 00
IV Public Health & Medical Relief	17 00	59 70	355 50	210 00	4	15 10
V Education	50 00	-	236 25	200 00	10	50 00
VI Town Planning & Improvement	131 00	-	530 00	910 00	85	
VII Roads & Communications	317 00	-	27 93	100 00	144	130 00
VIII Markets & Slaughter House	25 00	-	221 03	200 00		2 50
IX Park Gardens & Recreational Facilities	10 00	-	30 00	160 00	-	-
X Public Utilities	136 00	-	365 50	-	-	-
XI Miscellaneous	74 00	-	315 60	-	-	60 00

5 The figure illustrate and emphasise the special or peculiar needs of the different cities, but broadly speaking the pattern of needs everywhere is similar. The needs, it must be repeated, are the minimum requirements of the present situation and their satisfaction will only do bare justice to the people involved. From the point of view of the two criteria to which importance has been given in planning, viz employment potential and the augmentation of the country's resources, most of the schemes for city development qualify in an eminent degree. The provision, for example, of an adequate water supply;

sy em

system is inextricably tied up with the growth and maintenance of industry. In some of the cities, the scarcity of water supply has been one of the major hindrances to the proper functioning or growth of industrial units. Moreover, all the schemes formulated provide large employment potential both during the constructional stages and thereafter.

6 The implementation of the schemes formulated cannot be contemplated without the provision of necessary resources under the Second Five-Year Plan. The financial stringency under which the Corporations have been labouring for many years has been referred to earlier and also the factors that have operated to bring about the situation. The extremely limited taxing powers of the Corporations and the denial to them of certain source that may legitimately be claimed for local development give no elasticity whatsoever to the ^{finances} ~~finances~~ of local authorities. They, in turn, have reacted to restrict the ability of Corporations to raise funds in the open market. In Calcutta, particularly, there are noticeable great deficiencies in the scope and level of taxing powers of the Corporation rendering that Corporation specially vulnerable in meeting the pressing developmental needs of the hour. The aid that is, therefore, envisaged in furtherance of the scheme that must now be taken in hand must be determined in the light of the existing situation as to the financial resources of local authorities and the scope, if any, for the augmentation of their resources through new sources of taxation or the assignment of substantial sums by way of grant-in-aid. The need for exploiting available and permissible sources of taxation is fully realised and there can be little doubt that the Corporations, which are so keenly alive to the deficiencies in their areas, will take the requisite steps in this direction. It is, however, clear that even a full exploitation of available taxing power will be inadequate to meet the liabilities which now confront the cities.

The

The Committee, therefore, is very strongly of the view that measure to enlarging the taxing power of the Corporations must be speedily taken up by accepting the recommendations of the Taxation and Commission^{and by} taking up the existing deficiencies and the scheme of Calcutta. Implementation of the various recommendations of the Commission will, it must be noted, add to the ability of the Corporations to finance schemes capital development with the aid of loan funds in an increasing measure. But until this implementation is accomplished, the elasticity of local finance will in varying degrees, from city to city, require the application of outright grants for the developmental schemes in view. The varying extent of such grants is naturally determined by the present taxing powers of a Corporation and the urgency or essentiality of the schemes contemplated. The Corporations in drawing up their plans have to take into consideration fully their present ability to finance capital schemes on the basis of loan funds. If the importance and priority of the schemes of development is admitted, it clearly then must follow that the balance of the essential requirements must be found by way of grants or subsidies. It is not possible, nor necessary, in this memorandum to refer in detail to the extent to which go to determining in any particular instance, the extent of assistance by way of loans and grants. But it is desired to emphasise some aspects of the problem. There is no doubt that schemes of slum clearance and housing for the low income groups must be subsidised at least on the basis that applies to the subsidised industrial housing schemes of Government. Actually, in some cases where land cost may be high, or other special features exist, the need for even a higher degree of subsidy will be felt. Secondly, in a city like Calcutta, with problems of a most aggravated character involving the large-scale influx of displaced people, the grant of substantial subsidies for other essential development will be found to be inevitable.

On the basis adopted by the six Corporations, namely, their present resource and the ability to raise loan funds independently, the assistance that will be needed by way of grants and subsidies is of the order of R 57 crores. Of this, about R 30 crores relate to Calcutta alone, the special problems of which have been referred to earlier. But the extent of assistance by way of grants and subsidies can be reduced to the extent that additional sources of revenue are made available to the Corporations and existing sources are more fully exploited. The ultimate measure of assistance by way of loan funds and by way of subsidies can be more precisely determined in the light of probable developments in this direction and with reference to the special problems of the respective cities. But any proposal for assisting pressing schemes of slum clearance and housing for low income groups in a halting manner is likely to render the execution of these schemes utterly impracticable.

7 We now refer to the question of the magnitude of borrowing which may have to be undertaken by the Corporations. From the figures which have been analysed before, it will be seen that the plans of the six cities envisage a total borrowing of R 78 crores. This borrowing could be in two ways, firstly, by recourse to the open capital market and secondly, by advance from the Government of India. The Corporations desire that the funds required by them be advanced by the Government of India in the expectation that the Central Government will be able to do so on easy terms both as to rate of interest and the period of repayment. Nevertheless, if it is inevitable that the Corporations must mobilise their local borrowing capacity or internal fund, it is probable that they may be able to find about R 30 crores of the loan funds envisaged. But the six Corporations earnestly hope that the Government of India will give them the benefit of its great credit in the country and enable them to secure their loan requirements from Government, for thereby, again, the

extent

extent of assistance required by way of grants and subsidies could be minimised

8 The foregoing analysis, which gives the justification for the size of the plans ~~and~~ of the various items which constitute them and also the need for financial assistance from the Government of India, will, it is hoped, receive the most earnest and sympathetic consideration of the Planning Commission and the Central Government. Otherwise, it is inevitable that the six cities will suffer a yet further serious decline in their standards with most unfortunate results on the well-being and morale of the population concerned

SUBJECT

Diary No of letter replied to

Mysore Government Secretariat

()
the 195

Date of issue

Signed by

T S
mt type

List of enclosures

Copied by

T S
mt type

Examined by

- copies

Section

CM

File No

125-55

Serial No

2

No

L 9966 D 12/11/55

To

The Commission

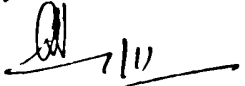
*Corporation of the city
of Bangalore
(thru the Mayor)*

Sir,

*I am directed to
forward herewith for
information and a copy of
the letter No 8363 dated
16/9/55 together with
copies of enclosures received
from the Mayor of Bombay
Chairman of the Mayor
Conference Bombay*

To give due regard to the developmental
needs of the cities of Ahmedabad,
Surat, Bombay, Calcutta
Madras and Poona under the
Second Five Year Plan

Yours faithfully --


for Secy to Govt,
" Industries Department
Mys

